

GENERAL TERMS OF BUSINESS AGREEMENT

Abbott & Bramwell Ltd t/a Abbott & Bramwell Insurance Brokers, London House, 320 London Road, hazel Grove, Stockport SK7 4RF. Registered in England and Wales No. 2929143. www.abinsurance.co.uk

Introduction

Abbott & Bramwell Limited is authorised and regulated by the Financial Services Authority (FCA), which is our regulator. We follow the rules and principles established by the FCA for our general insurance business activities. Our FCA registration number is 311672 and our permitted business activities are arranging and advising on non investment insurance contracts. This information can be checked by visiting the following website: www.fca.gov.uk/register or contact the FCA on 0845 606 9966.

We are a leading independent intermediary. We offer transactional and/or advisory services for your (re)insurance requirements. We may advise and make recommendations on all types of non-life general insurance products and we are not tied to any one (re)insurer, with the exception of our freightcover.com product which is underwritten by one single insurer.

In the absence of an agreement to the contrary this document sets out the terms of our relationship with you (our 'client') for our provision to you of (re)insurance broking services as set out herein.

Our Services – non advised**Negotiation and Placing**

- The FCA is a government body set up to regulate the sales, advisory, competence and service standards of Members (Insurers, Intermediaries (including Brokers), Agents and anyone acting for them). Its main purpose is to make sure that general insurance customers are treated fairly and have confidence in the financial services markets.
- Abbott & Bramwell are primarily Commercial Insurance brokers who, on occasion, are asked to arrange policies for Private Customers. Generally for Private Customers we will only approach one or a limited number of insurers who we would consider to be appropriate, this will be detailed to you at quoting stage.
- In respect products purchased via our web site, these will be from a single insurer for each type of business, who will be clearly identified in the quotation.
- The FCA has two classifications for customers (clients), Consumer clients are those acting outside of their business activities, all other customers are classed as Commercial Clients.
- In respect to products purchased through our web site you will not receive advice or recommendation from us and you will then need to make your own choice regarding the suitability of products offered and about how to proceed. Guidance on the circumstances in which any policy is likely to meet customer's needs, will be confirmed in a demands & needs statement with the quotation.
- We are unable to guarantee the solvency of any insurer we place business with. A liability for the premium, whether in full or pro rata, may arise under policies where a participating insurer becomes insolvent.
- We will provide full information regarding the premium payable including any Taxes and/or fees.
- We will provide supporting information and policy documentation in accordance with the FCA rules.
- Under the FCA regulations, customers who are acting outside of their business activities are defined as 'Consumer' clients. Insurers are required to provide a 'cooling off period' of at least

14 days from conclusion of the contract or the date you received the contractual terms and conditions, should you wish to cancel cover insurers are entitled to charge a time on risk charge or administration charge.

- When you first become a Customer, we will give you detail of how you can make a claim and tell you what your responsibilities are in relation to making claims.
- Where you pay premium to us, and where we have received this money as agent of the insurer / underwriter we hold such monies in an approved bank account.
- All other Premiums held by us on behalf of clients pending payment to the Insurer or Underwriter will be held in a Non Statutory Trust. Such account allows us to make advances of credit to enable a client's premium obligations to be met before the premium has been paid by the client. To operate such account members must satisfy FCA solvency conditions.

You consent to us to hold your premium in this account will be assumed if you do not contact us to the contrary.

Complaints

Should you have any cause for complaint about our services please raise the matter in the first instance with the person who handles your account. Alternatively, you may contact "Director responsible for Complaints" at London House, 320 London Road, Hazel Grove, Stockport SK7 4RF. We will acknowledge your complaint within five days of receipt and will advise you of the person dealing with it. Should you not be happy with the response to your complaint you have the right to take your complaint to the Financial Services Ombudsman Service.

We are covered by the Financial Services Compensation Scheme (FSCS) you may be entitled to compensation from the scheme if we cannot meet our obligations. This depends on the type of business and the circumstances of the claim.

Servicing and Claims

Unless otherwise agreed we will send you documentation confirming the basis of the cover secured on your behalf, including details of the (re)insurers, with a debit note or premium billing, where applicable, showing separately all the amounts payable. The dates that the money is due together with any penalties for late payment will be clearly stated to you.

We will forward any policy documents, if applicable, and any amendments or endorsements to your policy as soon as reasonably practicable.

Except where we agree with you or, because market practice determines otherwise, we will provide our claims handling services during the policy period for the policies placed by us. Our claims handling services include, upon receiving the required information from you, the notification of the claim or circumstances to insurers; representing you in the resolution of the claim and arranging the collection and/or settlement of the claim in accordance with market practice and your policy terms and conditions. Where claims are to be dealt by you with insurers directly we will provide advice and support as requested.

Further, our claims handling services will cease where we are satisfied that you have instructed another entity to assume the claims servicing obligations for your (re)insurance.

Where we collect claims payments these will be remitted to you as quickly as possible. However, we will not remit claims money to you before we have received it from (re)insurers.

Electronic Communications

We may communicate with each other by electronic mail, sometimes attaching further electronic data, we and you accept the inherent risks. You will be responsible for virus checking all electronic communications sent to you. You will also be responsible for checking that messages received are complete. In the event of a dispute neither of us will challenge the legal evidential standing of an electronic document and the Abbott & Bramwell system shall be deemed the definitive record of electronic communications and documentation.

Your Responsibilities**Completion of information**

You will provide all information as requested through the web site and you understand and accept any incorrect or false information may affect the insurance cover provided.

WARNING - Disclosure of information - Consumer

Your duty to give information

When applying for or amending your insurance policy, we and / or your insurer will ask a number of questions to assess the risk prior to agreeing cover. It is your duty to ensure that you answer all questions raised by insurers or us honestly and reasonably. These questions are designed to enable us or the insurer to obtain a comprehensive picture of the nature of the risk to be insured, and only by asking such questions and receiving answers which are given honestly and with reasonable care, can we or the insurer be in a position to offer terms which are designed to meet your demands and needs.

The reason why this is vital and extremely important is that if you fail to tell us or the insurer something when asked, or, if you answer carelessly or act deliberately or recklessly in making misrepresentations when answering questions, your policy may leave you with no insurance protection; insurers may not pay a part or all of your claim and may cancel your policy. You may find it difficult to re-arrange cover because you did not tell an insurer everything when asked, and you will have to disclose this fact when you reapply for insurance.

FAILURE TO ANSWER QUESTIONS HONESTLY AND REASONABLY, WHEN ASKED, MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.

WARNING - Disclosure of information – Commercial customer

Your duty to give information

IT IS IMPORTANT THAT YOU UNDERSTAND YOUR DUTY TO PROVIDE ALL MATERIALLY IMPORTANT INFORMATION, FULLY, COMPLETELY AND ACCURATELY TO US AND YOUR INSURERS NOT ONLY WHEN YOU TAKE OUT YOUR INSURANCE, BUT ALSO THROUGHOUT THE LIFE OF YOUR ARRANGEMENT, AT THE ANNUAL RENEWAL OR AT ANY OTHER TIME WHEN CHANGES OCCUR.

Materially important information is any information that could influence an insurer's decision to accept your risk including the cost of your insurance. For example, details of previous insurance claims that you have made, or reported. Personal information about you, such as Criminal Convictions (you have a duty to give this information even when the insurance relates to a business and not you). General information about the risk, such as the construction of a building, (for example, concrete floor, timber frame with brick, stone, and a slate roof) if you are not sure how much information to provide or do not understand the question please ask.

The reason why this is vital and extremely important is that if you fail to tell us something, your policy will leave you with no insurance protection; insurers will not pay any claims and will cancel your policy. You will find it difficult to re-arrange cover because you did not tell an insurer everything, and you will have to disclose this fact when you reapply for insurance.

FAILURE TO DISCLOSE THESE FACTS MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID

WARNING – Warranties and Conditions Precedent

Your policy contains a number of WARRANTIES and CONDITIONS PRECEDENT. These are terms which you must comply with word for word, otherwise the insurer might not pay any claims and might cancel your policy from the start. Even if there is no connection between a breach of these terms and the cause of the loss.

Failure to comply with these terms may leave you with no insurance cover and your claim not being paid!

An insurance warranty typically means something that you must comply with in order that your insurance protection remains operative.

Conditions Precedent: Some conditions do impose a responsibility on you to have done something or completed something before a certain section of the policy will operate. If you do not do the thing stated, cover will not be in place.

FAILURE TO COMPLY MAY LEAVE YOU WITH NO COVER AND A CLAIM NOT PAID.

Warranties are not always referred to as such within a policy and schedule. They may be referred to as conditions, endorsements, special terms as well as warranties.

It is important that you look out for these and if you have any doubt about a particular statement, please ask us for advice.

Claims

You are responsible for notifying claims or potential circumstances that may give rise to a claim. To ensure full protection under your policy or similar documentation provided you should familiarise yourself with coverage conditions or other procedures immediately relating to claims and to the notification of those claims. Failure to adhere to the notification requirements particularly the timing of notification, as set out in the policy document, may entitle (re)insurers to deny your claim. In presenting a claim it is your responsibility to disclose all facts which are material to the claim.

Claims may be made against a policy long after its expiry date. It is important therefore, that you keep your policy documents in a secure place.

Change in circumstances

You will advise us as soon as reasonably practicable of any changes in your circumstances that may affect the services to be provided by us or the cover provided under your (re)insurance policy

Provision of information

All activities undertaken by us as outlined in this document are provided by us for your exclusive use and all data, recommendations, proposals, reports and other information provided by us in connection with our services are for your sole use.

Payment of premium

You will provide settlement with cleared funds of all monies due in accordance with the payment date(s) specified in our debit note or other documentation ("Payment Date"). Failure to meet the Payment Date may lead to (re)insurers

cancelling your policy. We are under no obligation to pay premium by the Payment Date to (re)insurers on your behalf.

Our Remuneration

Our remuneration will be either a fee as agreed with you or brokerage which is a percentage of the (re)insurance premium paid by you. If appropriate, and with your consent, we may receive a fee and brokerage.

We provide services to (re)insurers that are not directly related to the services provided to you and we receive usual and customary remuneration in recognition of those services.

This remuneration may be a management or administration fee or revenue based upon the volume or profitability of (re)insurance business placed with a given (re)insurer over a specific period. These payments recognise the services we provide to the (re)insurer over that given period.

In certain circumstances we may recommend to you an additional general insurance activity related service, e.g. a hire car company. Any introductory payments we receive from them will be disclosed to you on request.

We are committed to ensuring transparency of our remuneration and we will, at your request, fully disclose our remuneration.

Monies held in our client premium bank accounts may attract interest, we do not expect this to exceed £20 per transaction in relation to 'Retail' clients.

Confidentiality

We will treat any information in our possession that relates to your business as confidential. It will be necessary, however, for us to disclose information that you consider confidential to (re)insurers or other parties, when acting on your behalf, where we reasonably consider such information to be material to the risks being covered..

Termination

Our services may be terminated either by us or you upon the giving of one month's notice in writing to the other or as otherwise agreed. In the event you terminate our services during the policy period we will be entitled retain all fees and commissions in relation to all policies placed by us.

Third Party Rights

Unless otherwise agreed between us in writing no term of this Agreement is enforceable under the Contracts (Rights of Third Parties) Act 1999, except by members of the Abbott & Bramwell Group of companies.

Governing Law

This Agreement, which sets out the terms of our relationship with you, will be governed by and construed in accordance with English Law and any dispute arising under it shall be subject to the exclusive jurisdiction of the English courts.

Money laundering and Proceeds of Crime Act

We are obliged to report to the Serious Organised Crime Authority any evidence or suspicion of money laundering at the first opportunity and we are prohibited from disclosing any such report to anyone else.

Claims payments will be made in favour of you. If you require a payment to be made to a third party then you must confirm the required payee name and details and provide a brief explanation of your request.